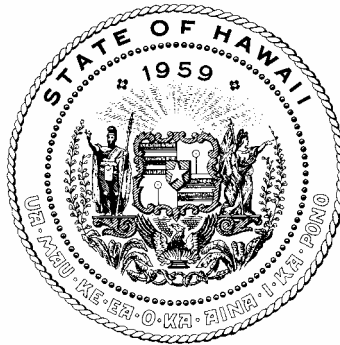


**ANNUAL REPORT TO THE TWENTY-SECOND LEGISLATURE
STATE OF HAWAII
REGULAR SESSION OF 2004**

**ON THE STATUS OF THE PROGRAM FOR
ENVIRONMENTALLY-THEMED PRODUCTS
TO SUPPORT THE ENVIRONMENT
ESTABLISHED UNDER §195D-5.5, HAWAII REVISED STATUTES**



Prepared by

**THE STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF FORESTRY AND WILDLIFE**

In response to Section 195D-5.5, Hawaii Revised Statutes

Honolulu, Hawaii
November 2003

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PURPOSE

Act 186, Session Laws of Hawaii 2002, amended the State Endangered Species Act, Chapter 195D, Hawaii Revised Statutes (HRS), to establish a program to financially benefit the environment by the development of environmentally-themed products such as collectible stamps, credit cards, and coins to be sold to the public. One of the provisions of that Act (§195D-5.5(d), HRS), required that an annual report be prepared by the Department of Land and Natural Resources (DLNR) of the Program's products, costs, and revenues to be submitted to the legislature no later than twenty days before the convening of each regular session. This annual report is submitted to fulfill the reporting requirement for the period July 1, 2002-June 30, 2003.

FINDINGS

The Program has just begun and is in its initial year of development. DLNR has issued a Request for Proposal for vendors interested in developing and marketing collectibles, associated with the 2003 Year of the Hawaiian Forest centennial celebration. Two vendors responded and DLNR entered a marketing agreement for the production of a Year of the Hawaiian Forest calendar and a Year of the Hawaiian Forest commemorative coin.

Sales of the calendar began on November 20, 2002. DLNR purchased 100 calendars at a cost of \$500.00, and is offering them for resale at \$10.00 each. As of the end of the Fiscal Year, 23 calendars had been sold for a return of \$230.00. Sales are continuing, but are not expected to generate enough revenue to realize a profit. Consequently, no revenue has been realized into the Program from this product.

The other item produced under this Program was the Year of the Hawaiian Forest commemorative coin. It went on sale in May and is being offered for sale through the end of 2003. A progress report will be provided at the end of the calendar year, along with a payment of royalties due DLNR. The revenue will be deposited into the Endangered Species Trust Fund, (S-03-324) and be available for projects to manage watersheds and native forests.

Table 1. List of Environmentally-Themed Products to Benefit the Environment						
Item	Product	Date	Number	Production	Revenue to	Program
No.	Description	Produced	Produced	Cost to DLNR	Program	Profit
1.	Hawaiian Year of the Forest Calendar	10/2002	100	\$500	\$230	Pending
2.	Hawaiian Year of the Forest Collectible Coin	5/2003	Pending	\$0	Pending	Pending

No other products were developed during Fiscal Year 2003.